

TÜRKİYE İŞ BANKASI
REMUNERATION POLICY

1- PURPOSE AND SCOPE OF THE POLICY

The main purpose of the Remuneration Policy (Policy) of İşbank is; to ensure that the Bank's remuneration practices are planned, executed and managed based on the relevant legislations, the scope and structure of the Bank's activities, strategies, long-term goals and risk management structures, preventing excessive risk taking and effective risk management.

The Policy covers the Head Office and branches of the Bank and managers and employees at all levels in terms of remuneration management.

2. BASIC PRINCIPLES REGARDING COMPENSATION

It is essential that the remunerations to be made to the managers and employees of the Bank at all levels are in line with the ethical values, internal balances and strategic goals of the Bank and the remunerations are not only related to the short-term performance of the Bank.

Performance-based incentive payments are determined based on objective conditions, without guaranteeing the amount in advance, in a way that will positively affect the Bank's corporate values, and taking into account the maturity of the riskstaken.

Payments to be made to the managers and personnel of the units within the scope of internal systems are determined by taking into account the performance of the relevant personnel regarding their function, regardless of the performance of the operating unit they supervise or control.

Performance-based incentive payment criteria are determined and announced to employees, and the criteria are regularly reviewed.

For those who are found to endanger the safe operation of the Bank as a result of their activities or to be responsible for the deterioration of the Bank's financial structure, necessary actions are taken regarding their payments, including the cancellation of performance-based payments.

3. DUTIES AND RESPONSIBILITIES

The Bank's Board of Directors has the ultimate authority and responsibility to ensure that the remuneration practices of the Bank are carried out and managed effectively within the framework of the relevant legislation and this Policy. The Board of Directors ensures the effectiveness of the Policy by reviewing it at least once a year.

The Remuneration Committee established within the Board of Directors monitors and audits the remuneration practices of the Bank on behalf of the Board of Directors within the framework of this Policy; submits its evaluations and suggestions to the Board of Directors.

The Bank's Senior Management is responsible to the Board of Directors for the effective execution and management of the Bank's remuneration practices within the framework of the relevant legislation and this Policy.

Within the framework of the relevant legislation and this Policy, the tasks and activities related to the preparation, publication, updating, effective implementation and follow-up of the procedures and principles of the Bank about remuneration are carried out, managed and coordinated within the Human Resources Management Division. Other divisions and branches of the Bank fulfill their duties in this context in coordination with the Human Resources Management Division.

All personnel of the Bank at all levels continuously and accurately fulfill their duties in order to implement this Policy and related procedures in a purposeful and effective manner.

The compliance and effectiveness of the Bank's remuneration-related practices and activities with the relevant legislation and the provisions of this Policy are regularly audited and evaluated within the scope of internal audit.

4. ENFORCEMENT

This Policy comes into effect as of 01.01.2012. Changes and updates to be made later in the policy depending on the current conditions also come into effect with the approval of the Board of Directors.